

000405

**HOUSING AUTHORITY REPORT**

DATE ISSUED: July 2, 2007

REPORT NO: HAR 07-017

ATTENTION: Members of the Housing Authority  
Council President and City Council  
For the Agenda of July 24, 2007

SUBJECT: Preliminary Bond Items for Boulevard Apartments (Council District 3)

REQUESTED ACTION:

Take the initial steps to issue Housing Authority mortgage revenue bonds to fund the development of a 24-unit rental complex located in the San Diego community of North Park. Borrower would develop the property and restrict rents below market; issuance of bonds would require Housing Authority approval at a later date and is contingent upon approval of gap loan funding by the Redevelopment Agency and/or Housing Authority.

STAFF RECOMMENDATION:

- A. Housing Authority approve a bond inducement resolution (a "declaration of official intent") for up to \$7 million in multifamily housing revenue bonds for development of the Boulevard Apartments, by S.V.D.P. Management, Inc. (SVDP) and Chelsea Investment Corporation (Chelsea);
- B. Housing Authority approve an application (and subsequent applications if necessary) to the California Debt Limit Allocation Committee ("CDLAC") for an allocation of authority to issue tax-exempt "private activity bonds" in an amount up to \$7 million for the Boulevard Apartments; and,
- C. City Council hold a public hearing (*known as a TEFRA hearing - Tax Equity and Fiscal Responsibility Act*) and adopt a resolution approving the issuance of tax-exempt bonds in an amount up to \$7 million by the Housing Authority for the Boulevard Apartments located at 3133-3137 El Cajon Boulevard in the City of San Diego.

BACKGROUND:The Project

The site for the proposed Boulevard Apartments is located at 3133-3137 El Cajon Boulevard, on the south side of El Cajon Boulevard between Iowa Street and Illinois Street, two blocks west of the 805 freeway. The project will provide a total of 24 affordable housing units, approximately 2,000-square-feet of commercial space, and a 17-space parking garage on a 0.24-acre site. The project would also include a landscaped roof deck with barbeque facilities, patio cover, picnic tables and a children's play area. Each unit would feature a private balcony.

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Housing Affordability

The 24 residential units would consist of 3 one-bedroom units, 18 two-bedroom units and 3 three-bedroom units. Although the Housing Commission's Bond Program would normally restrict rents at 50% and 60% of the Area Median Income (AMI) (\$31,600 and \$37,920 for a family of three), other funding sources require substantially lower restricted rents. As a result, 14 units will be restricted at 30% AMI (\$18,950 for a household of three) and 9 units will be restricted at 40% AMI. One unit will be reserved for an on-site manager and will not be occupancy-restricted. Rent and income restrictions for the project are outlined in the chart below:

Type	AMI	Number of Units	Restricted Rent (net of utility allowance)	Market Rate	Monthly Savings per unit
One Bedroom	30% AMI	3	\$367	\$800	\$433
Two Bedroom	30% AMI	8	\$438	\$1,000	\$562
Two Bedroom	40% AMI	9	\$594	\$1,000	\$406
Two Bedroom	MGR	1	N/A	N/A	N/A
Three Bedroom	30% AMI	3	\$505	\$1,300	\$795
<b>Total</b>		<b>24</b>			
<b>Total Annual Savings</b>					<b>\$137,592</b>

Development Team

SVDP and Chelsea will be joint venture partners in a limited partnership that has been established to own and operate the Boulevard Apartments; SVDP will be the managing general partner and an affiliate of Chelsea will be the administrative general partner. SVDP and Chelsea have collaborated on five affordable housing projects during the previous twelve years. These collaborations include: Paul Mirabile Center, a 350 bed short-term single adult facility (1994); Village Place Apartments, a 46-unit permanent affordable housing facility (1996); Toussaint Academy of the Arts and Sciences, a residence and high school for 30 youth (1998); Martha's Village & Kitchen in Riverside County which provides emergency and transitional housing for up to 120 individuals (1999); and Villa Harvey Mandel, a 90-unit permanent affordable housing project dedicating 25 units for mentally ill/chemically dependent adults (2002).

SVDP is the property owner, developer and key partner of St. Vincent de Paul Village, a complex of buildings and programs in downtown San Diego that provides a continuum of care for homeless individuals and families. St. Vincent de Paul Village was established in 1987 and has grown to be the largest homeless service provider in San Diego, offering emergency and transitional housing for up to 869 men, women and children on a nightly basis. St. Vincent de Paul currently provides 42% of all available shelter beds in urban San Diego. St. Vincent de Paul provides transitional housing programs for over 4,000 homeless individuals a year as well as comprehensive services including daily meals, case management, counseling, employment skills development, education, child care, access to free healthcare and other supportive services leading to greater self-sufficiency and independence. SVDP and St. Vincent de Paul Village, Inc. are 501c (3) organizations, each with its own Board of Directors; however the agencies collaborate closely for fundraising and program development, and share the same President, Father Joe Carroll. SVDP's developer disclosure statement is included as Attachment 2.

Chelsea has been developing affordable housing in San Diego and Imperial Counties of southern California and Yuma County, Arizona for nineteen years. Chelsea has developed forty-two (42)

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properties totaling 4,744 units of affordable housing. The following table summarizes the projects that Chelsea has developed in the City of San Diego since 1999. Chelsea's developer disclosure statement is included as Attachment 3.

<u>Project Name</u>	<u>Number of Units</u>
Regency Centre	100
Torrey Highlands	76
Villa Andalucia	32
Villa Glen	26
Windwood Village	92
The Crossings	108
Rancho del Norte	119
Fairbanks Ridge	204
<b>Total</b>	<b>757</b>

Proposed Housing Bonds

The Housing Commission utilizes the Housing Authority's tax-exempt borrowing status to pass on lower interest rate financing (and make federal tax credits available) to developers of affordable housing. The Housing Authority's ability to issue bonds is limited under the U.S. Internal Revenue Code. To issue bonds for a project, the Housing Authority must first submit an application to CDLAC for a bond allocation. Prior to submitting applications to CDLAC, projects are brought before the Housing Commission, Housing Authority, and City Council. Housing Authority bond inducement resolutions must be obtained prior to application submittal and City Council TEFRA resolutions must be secured no later than 30 days after application submittal.

It is anticipated that the project will receive a bond allocation at CDLAC's September meeting; however, if necessary, staff will submit additional applications to CDLAC during 2007 to secure a bond allocation for the project. A general description of the Multifamily Bond Program and actions that must be taken by the Housing Authority and by the City Council to initiate and finalize proposed financings are described in Attachment 4.

The \$7 million allocation that will be sought from CDLAC is approximately 20% higher than the amount for which the project is currently being underwritten (\$5.7 million). The developer has requested this cushion to account for possible increases in the bond amount due to increases in construction costs or decreases in the assumed interest rate. It is anticipated that the bonds will only be used to finance the construction of the project; the entire estimated bond amount will be paid off at conversion to permanent financing from the proceeds of other financing sources.

The total development cost of the project is estimated to be approximately \$11.1 million. Other sources of permanent funds for the project will include a loan from the State of California's Multifamily Housing Program (MHP), federal tax credits, a loan from the Federal Home Loan Bank's Affordable Housing Program (AHP), supportive housing grant for the Department of Housing and Urban Development, a land donation from SVDP, and proposed loans from the Redevelopment Agency and/or Housing Commission. Please note that staff has not yet underwritten the proposed loan for this project, and any financial participation by the Housing Commission would require future approval by the

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Housing Commission and Housing Authority. Proposed permanent financing sources are summarized in the following table.

<b>Proposed Permanent Financing Sources</b>	
MHP	\$2,100,000
Tax Credits	3,400,000
Redevelopment Agency/Other Local Subsidy	3,600,000
AHP/HUD	800,000
SVDP Land Contribution	1,200,000
<b>Total</b>	<b>\$11,100,000</b>

The developer currently proposes to issue the bonds through a private placement. The bonds would meet all the requirements of the Housing Commission's Multifamily Housing Revenue Bond Program policy and would fully comply with the City's ordinance on bond disclosure.

**FISCAL CONSIDERATIONS:**

There are no fiscal impacts to the Housing Commission, City, or Housing Authority associated with the requested actions. Approval of the bond inducement and TEFRA resolutions does not commit the Housing Authority to issue bonds. The bonds would not constitute a debt of the City of San Diego. If bonds are ultimately issued for the project, the bonds will not financially obligate the City, the Housing Authority or the Housing Commission because security for the repayment of the bonds will be limited to specific private revenue sources. Neither the faith and credit nor the taxing power of the City or the Authority would be pledged to the payment of the bonds. The developer is responsible for the payment of all costs under the financing, including the Housing Commission's annual administrative fee. It is possible that the Housing Commission will be asked to participate in the local subsidy. The development team is currently gathering funding commitments.

**PREVIOUS HOUSING AUTHORITY And/Or COMMITTEE ACTIONS:**

None.

**COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:**

On April 19, 2005, the Greater North Park Community Planning Group voted 6-5-2 to recommend approval of the project, with the condition that the applicant provide explicit documentation that there is a 50-year agreement specifying St. Vincent de Paul as the manager and operator of the property. On March 15, 2007, with a vote of 5-0-2, the Planning Commission approved the site development permit for the project.

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ENVIRONMENTAL REVIEW:

On March 15, 2007, the Planning Commission certified Environmental Impact Report No. 55461 in accordance with the State of California Environmental Quality Act guidelines.

KEY STAKEHOLDERS & PROJECTED IMPACTS:

Very-low income households are the intended residents of the project. SVDP and Chelsea compose the development team for the project. The SVDP board members and the owners of Chelsea are listed in Attachments 2 and 3. The Richmond Group has been tentatively selected to provide equity for the project.

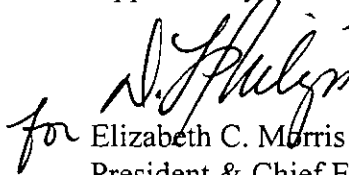
Respectfully submitted,



Cissy Fisher

Director of Housing Finance & Development

Approved by

  
for Elizabeth C. Morris

President & Chief Executive Officer

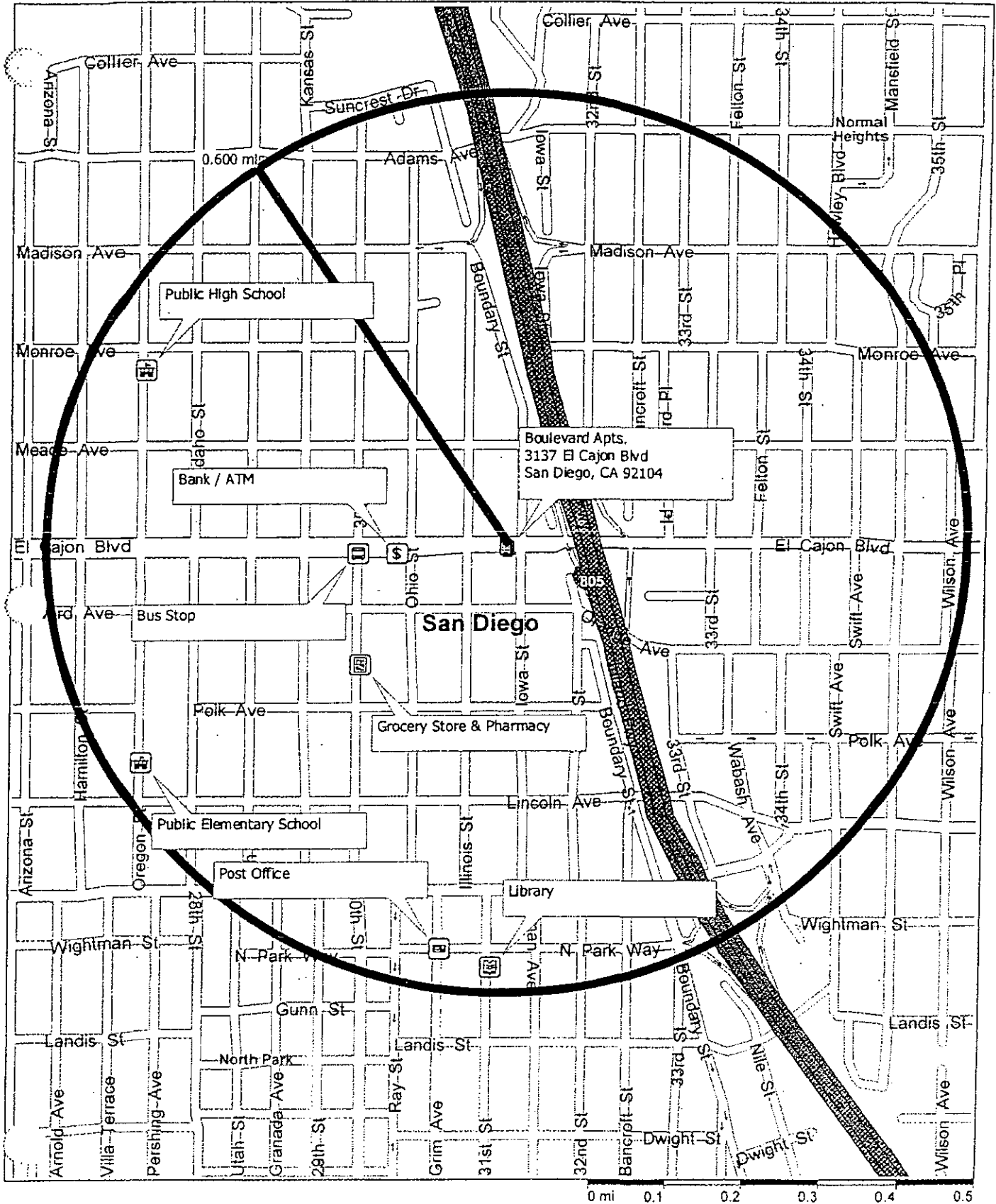
Attachments:

1. Site Map
2. SVDP's Disclosure Statement\*
3. Chelsea's Developer's Disclosure Statement\*
4. Multifamily Bond Program Summary

\*Distribution of these attachments may be limited. Copies available for review during business hours at the Housing Commission offices at 1122 Broadway, Main Lobby

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## Boulevard Apartments



## ATTACHMENT 2



Good Neighbors

San Diego  
Housing Commission

1122 Broadway, Suite 300  
San Diego, CA 92101  
619/231 9400  
Fax: 619/578 7356

DEVELOPER'S STATEMENT FOR PUBLIC DISCLOSURE

(add extra sheets if you need more space)

1. Name of developer:  
S.V.D.P. Management, Inc.
2. Address, phone number and ZIP Code:  
3350 E Street  
San Diego, CA 92102
3. IRS Number of Developer:  
33-0492304
4. If the developer is not an individual doing business under his own name, the developer has the status indicated below and is organized or operating under the laws of California as:
  - ☐ A corporation
  - ☒ A nonprofit or charitable institution or corporation
  - ☐ A partnership known as: \_\_\_\_\_
  - ☐ A business association or a joint venture known as \_\_\_\_\_
  - ☐ A Federal, State or local government or instrumentality thereof.
  - ☐ Other (explain) \_\_\_\_\_
5. If the developer is not an individual or a government agency or instrumentality, give date of organization:  
N/A
6. Names, addresses, phone numbers, title of position (if any) and nature and extent of the interest of the officers and principal members, shareholders, and investors of the developer, other than a government agency or instrumentality, are set forth as follows:



A state agency authorized by the City of San Diego

## DISCLOSURE STATEMENT: PAGE 2

- a. If the developer is a corporation, the officers, directors or trustees, and each stockholder owning more than 10% of any class of stock.  
N/A
- b. If the developer is a nonprofit or charitable institution or corporation, the members who constitute the board of trustees or board of directors or similar governing body.

**Board of Directors - S.V.D.P. Management, Inc.**

Ahlering, John R.	Khoury, Brian
Anderson, Betty	Madigan, Jan (VC of Nominating/Bd. Development)
Andrews, John S. M.D.	Morgan, Roxanne (VC of Programs)
Bourque, Dennis	Mulvaney, Jr., James (Co-VC of Fundraising/Marketing)
Daniels, Mike	O'Riordan, Michael
Davidson, Carolyn	Palmer, Gregg
Farley, Dan	Shevlin, Michael
Finch, Mike	Steinberg, Harris I.
Gault, Peter	Valverde, Chuck
Heath, Scott	van Adelsberg, Joost H. (Treasurer)
Kasperick, Candace	Waters, Jim (Board Secretary)
Kasperick, Vince (Board Chair) (VC of Audit)	Whelan, William (Co-VC of Strategic Planning)
Kelly, Paula	
Kennedy, Kevin	
Kennedy, Pat	

- c. If the developer is a partnership, each partner, whether a general or limited partner, and either the percent of interest or a description of the character and extent of interest.
- d. If the developer is a business association or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest.  
N/A
- e. If the developer is some other entity, the officers, the members of the governing body, and each person who has an interest of more than 10%.  
N/A

<u>Name, Address &amp; Zip Code</u>	<u>Phone Number</u>	<u>Position Title (if any) and percent of interest or description of character and extent of interest</u>
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## DISCLOSURE STATEMENT: PAGE 3

7. Name, address and nature and extent of interest of each person or entity (not named in response to Item 6) who has a beneficial interest in any of the shareholders or investors named in response to Item 6 which gives such person or entity more than a computed 10% interest in the developer (for example, more than 20% of the stock in a corporation which holds 50% of the stock of the developer; or more than 50% of the stock in a corporation which holds 20% of the stock of the developer):

N/A

Name, Address and  
Zip Code

Description of character and  
extent of interest

8. Names (if not given above) of officers and directors or trustees of any corporation or firm listed under Item 6 or Item 7 above:

N/A

9. Is the developer a subsidiary of or affiliated with any other corporation or corporations or any other firm or firms? If yes, list each such corporation or firm by name and address, specify its relationship to the developer, and identify the officers and directors or trustees common to the developer and such other corporation or firm.

N/A

10. The financial condition of the developer, as of December 31, 2005 is reflected in the attached financial statement.  
Please see attached.

11. If funds for the development are to be obtained from sources other than the developer's own funds, a statement of the developer's plan for financing the development:

12. Sources and amount of cash available to developer to meet equity requirements of the proposed undertaking:

- a. In banks:

<u>Name, Address and ZIP Code of Bank</u>	<u>\$ Amount</u>
Merrill Lynch 11181 Bernardo Plaza Ct. San Diego, CA 92128	\$2,300,000
Union Bank of California 530 B St. San Diego, CA 92101	\$500,000
US Bank 4330 La Jolla Village Drive, Suite 200 San Diego, CA 92122	\$500,000

## DISCLOSURE STATEMENT: PAGE 4

- b. By loans from affiliated or associated corporations or firms:

Name, Address and ZIP Code of Source \$ Amount

- c. By sale of readily salable assets:

Description Market Value Mortgages or Liens

13. Name and addresses of bank references:

Union Bank of California, 530 B St. San Diego, CA 92101

Wells Fargo 4365 Executive Dr, San Diego, CA 92121

Merrill Lynch 11181 Bernardo Plaza Ct, San Diego, CA 92128

14. Has the developer or any of the developer's officers or principal members, shareholders or investors, or other interested parties been adjudged bankrupt, either voluntary or involuntary, within the past 10 years? Yes      No X  
If yes, give date, place, and under what name.

15. Has the developer or anyone referred to above as "principals of the developer" been indicted for or convicted of any felony within the past 20 years? Yes      No X

If yes, give for each case (1) date, (2) charge, (3) place, (4) Court, and (5) action taken. Attach any explanation deemed necessary.

16. Undertakings, comparable to the proposed project, which have been completed by the developer including identification and brief description of each project and date of completion:

Project Name:	Project Address:	# of Units	Date of Completion
Villa Harvey Mandel (new construction)	72 17 <sup>th</sup> Street, San Diego, CA 92101	A six story, 90-unit permanent affordable housing facility with 8 Shelter + Care units and 25 units set aside for persons with special needs. The unit count consists of 85 studios (326 s.f.) and 5 One-BR (540 s.f.)	May-03
Village Place (rehab)	32 17 <sup>th</sup> Street, San Diego, CA 92101	A two story, 47-unit permanent affordable housing facility with 45 One-BR and 2 Two-BR units	Jan-97
Toussaint Academy of the Arts and Sciences (new construction)	1404 5th Avenue, San Diego, CA 92101	A four story facility with 30 transitional housing beds, 5 permanent affordable studio units	1998
Martha's Village and Kitchen	83791 Date Avenue, Indio, CA 92201	A two story transitional housing complex with 120 beds and 34 private rooms serving homeless families and singles.	January-01

## DISCLOSURE STATEMENT: PAGE 5

17. If the developer or a parent corporation, a subsidiary, an affiliate, or a principal of the developer is to participate in the development as a construction contractor or builder:

- a. Name and address of such contractor or builder:  
 b. Has such contractor or builder within the last 10 years ever failed to qualify as a responsible bidder, refused to enter into a contract after an award has been made, or failed to complete a construction or development contract? Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, explain:

- c. Total amount of construction or development work performed by such contractor or builder during the last three years: \$ \_\_\_\_\_

General description of such work:

- d. Construction contracts or developments now being performed by such contractor or builder:

<u>Identification of Contract or Development</u>	<u>Location</u>	<u>Amount</u>	<u>Date to be Completed</u>
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- e. Outstanding construction-contract bids of such contractor or builder:

<u>Awarding Agency</u>	<u>Amount</u>	<u>Date</u>
<u>Opened</u>		

18. Brief statement respecting equipment, experience, financial capacity, and other resources available to such contractor or builder for the performance of the work involved in the proposed project, specifying particularly the qualifications of the personnel, the nature of the equipment, and the general experience of the contractor:

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DISCLOSURE STATEMENT: PAGE 6

19. Does any member of the governing body of the San Diego Housing Commission, to which the accompanying proposal is being made, or any officer or employee of the San Diego Housing Commission who exercises any functions or responsibilities in connection with the carrying out of the project covered by the developer's proposal, have any direct or indirect personal financial interest in the developer or in the proposed contractor? Yes \_\_\_\_\_  
No x  
If yes, explain.

20. Statements and other evidence of the developer's qualifications and financial responsibility (other than the financial statement referred to in Item 10) are attached hereto and hereby made a part hereof as follows:

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CERTIFICATION

I Father Joe Carroll certify that this Developer's Statement for Public Disclosure and the attached evidence of the developer's qualifications and financial responsibility, including financial statements, are true and correct to the best of my (our) knowledge and belief.

Date: 5/30/2007

Date: \_\_\_\_\_

Father Joe Carroll  
Signature

\_\_\_\_\_  
Signature

Title: President

Title: \_\_\_\_\_

Address & ZIP Code

3350 E Street

\_\_\_\_\_

San Diego, CA 92102

\_\_\_\_\_

## ATTACHMENT 3



Good Neighbors

San Diego  
Housing Commission

- 1625 Newton Avenue
- San Diego, California 92113-1036
- 619/231 9400
- FAX: 619/544 9193

DEVELOPER'S STATEMENT FOR PUBLIC DISCLOSURE

(add extra sheets if you need more space)

1. Name of developer:

**Chelsea Investment Corporation, a California corporation**

2. Address, phone number and ZIP Code:

**5993 Avenida Encinas, Ste 101  
Carlsbad, CA 92008  
(760) 456-6000**

3. IRS Number of Developer: **90-0151442**

4. If the developer is not an individual doing business under his own name, the developer has the status indicated below and is organized or operating under the laws of California as:

☒ A corporation

☐ A nonprofit or charitable institution or corporation

☐ A partnership known as: \_\_\_\_\_

☐ A business association or a joint venture known as \_\_\_\_\_

☐ A Federal, State or local government or instrumentality thereof.

☐ Other (explain) \_\_\_\_\_

5. If the developer is not an individual or a government agency or instrumentality, give date of organization: **July 30, 1986**

6. Names, addresses, phone numbers, title of position (if any) and nature and extent of the interest of the officers and principal members, shareholders, and investors of the developer, other than a government agency or instrumentality, are set forth as follows:



- a. If the developer is a corporation, the officers, directors or trustees, and each stockholder owning more than 10% of any class of stock.

<u>Name, Address &amp; Zip Code</u>	<u>Phone Number</u>	<u>Title &amp; % of Interest</u>
James J. Schmid 5993 Avenida Encinas, Ste 101 Carlsbad, CA 92008	(760) 456-6000	President 100% Shareholder
Lynn Schmid 5993 Avenida Encinas, Ste 101 Carlsbad, CA 92008	(760) 456-6000	Secretary

- b. If the developer is a nonprofit or charitable institution or corporation, the members who constitute the board of trustees or board of directors or similar governing body.

N/A

- c. If the developer is a partnership, each partner, whether a general or limited partner, and either the percent of interest or a description of the character and extent of interest.

N/A

- d. If the developer is a business association or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest.

N/A

- e. If the developer is some other entity, the officers, the members of the governing body, and each person who has an interest of more than 10%.

N/A

<u>Name, Address &amp; Zip Code</u>	<u>Phone Number</u>	<u>Position Title (if any) and percent of interest or description of character and extent of interest</u>
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## DISCLOSURE STATEMENT: PAGE 3

7. Name, address and nature and extent of interest of each person or entity (not named in response to Item 6) who has a beneficial interest in any of the shareholders or investors named in response to Item 6 which gives such person or entity more than a computed 10% interest in the developer (for example, more than 20% of the stock in a corporation which holds 50% of the stock of the developer; or more than 50% of the stock in a corporation which holds 20% of the stock of the developer):

Name, Address and _____ Zip Code	Description of character and _____ extent of interest
--	---

N/A

8. Names (if not given above) of officers and directors or trustees of any corporation or firm listed under Item 6 or Item 7 above:

N/A

9. Is the developer a subsidiary of or affiliated with any other corporation or corporations or any other firm or firms? If yes, list each such corporation or firm by name and address, specify its relationship to the developer, and identify the officers and directors or trustees common to the developer and such other corporation or firm.

**None, by exclusion of affiliations of less than 1%.**

10. The financial condition of the developer, as of December 31, 2005 is reflected in the attached financial statement.

11. If funds for the development are to be obtained from sources other than the developer's own funds, a statement of the developer's plan for financing the development:

**Project financing for 16<sup>th</sup> & Market includes \$10.0 Million of MHP financing already awarded to the project, an approximate \$19.2 million contribution from Ballpark Village, LLC as well as 4% tax credits and tax-exempt bond financing, via direct placement with US Bank. The Richman Group will serve as tax credit limited partner.**



## DISCLOSURE STATEMENT: PAGE 4

12. Sources and amount of cash available to developer to meet equity requirements of the proposed undertaking: **Not applicable**

a. In banks:

Name, Address and ZIP Code of Bank

\$ Amount

b. By loans from affiliated or associated corporations or firms:

Name, Address and ZIP Code of Source

\$ Amount

c. By sale of readily salable assets:

Description

Market Value

Mortgages or Liens

13. Name and addresses of bank references:

**US Bank**  
**c/o Paul Shipstead**  
**4330 La Jolla Village Dr., Ste 200**  
**San Diego, CA 92122**  
**(858) 642-4632**

**Southwest Community Bank**  
**c/o Harry Shank**  
**5810 El Camino Real**  
**Carlsbad, CA 92013**

14. Has the developer or any of the developer's officers or principal members, shareholders or investors, or other interested parties been adjudged bankrupt, either voluntary or involuntary, within the past 10 years? Yes \_\_\_\_ No X  
 If yes, give date, place, and under what name.

15. Has the developer or anyone referred to above as "principals of the developer" been indicted for or convicted of any felony within the past 20 years? Yes \_\_\_\_  
 No X

If yes, give for each case (1) date, (2) charge, (3) place, (4) Court, and (5) action taken. Attach any explanation deemed necessary.

## DISCLOSURE STATEMENT: PAGE 5

16. Undertakings, comparable to the proposed project, which have been completed by the developer including identification and brief description of each project and date of completion:

17. If the developer or a parent corporation, a subsidiary, an affiliate, or a principal of the developer is to participate in the development as a construction contractor or builder: **Not applicable.**

- a. Name and address of such contractor or builder: .
- b. Has such contractor or builder within the last 10 years ever failed to qualify as a responsible bidder, refused to enter into a contract after an award has been made, or failed to complete a construction or development contract? Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, explain:

- c. Total amount of construction or development work performed by such contractor or builder during the last three years: \$ \_\_\_\_\_

General description of such work:

- d. Construction contracts or developments now being performed by such contractor or builder:

<u>Identification of</u> <u>Contract or Development</u>	<u>Location</u>	<u>Amount</u>	<u>Date to be</u> <u>Completed</u>
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- e. Outstanding construction-contract bids of such contractor or builder:

<u>Awarding Agency</u>	<u>Amount</u>	<u>Date Opened</u>
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18. Brief statement respecting equipment, experience, financial capacity, and other resources available to such contractor or builder for the performance of the work involved in the proposed project, specifying particularly the qualifications of the personnel, the nature of the equipment, and the general experience of the contractor: **Not applicable.**
19. Does any member of the governing body of the San Diego Housing Commission, to which the accompanying proposal is being made, or any officer or employee of the San Diego Housing Commission who exercises any functions or responsibilities in connection with the carrying out of the project covered by the developer's proposal, have any direct or indirect personal financial interest in the developer or in the proposed contractor? Yes \_\_\_\_\_ No X  
If yes, explain.
20. Statements and other evidence of the developer's qualifications and financial responsibility (other than the financial statement referred to in Item 10) are attached hereto and hereby made a part hereof as follows:  
**Project Information Sheets**

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DISCLOSURE STATEMENT: PAGE 7

CERTIFICATION

I, James J. Schmid, certify that this Developer's Statement for Public Disclosure and the attached evidence of the developer's qualifications and financial responsibility, including financial statements, are true and correct to the best of my knowledge and belief.

Date:

June 5 2007

Signature:

James J. Schmid  
Authorized Agent

Address & ZIP Code

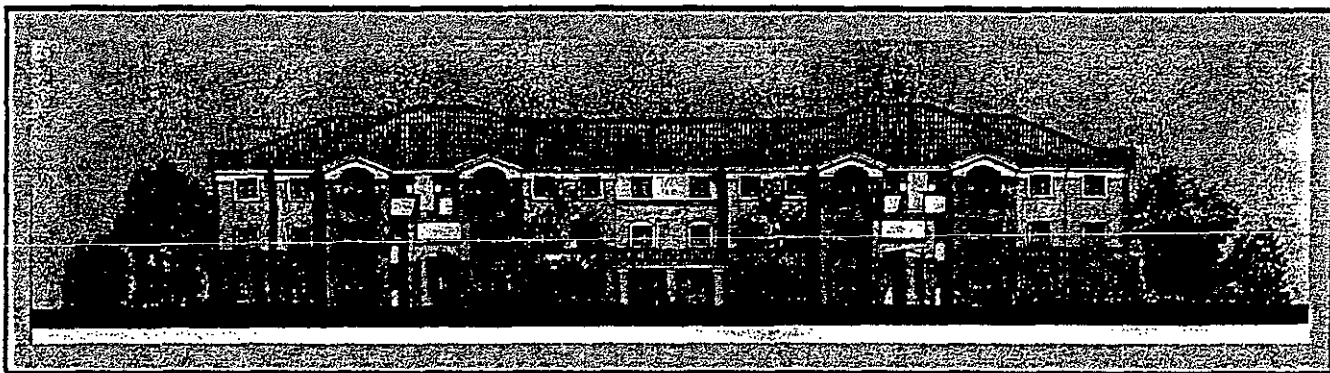
5993 Avenida Encinas, Ste 101  
Carlsbad, California 92008

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CHELSEA INVESTMENT CORPORATION

# Teresina at Lomas Verdes

*(Gateway Town Center)*



Teresina is a mixed-income development located in Otay Ranch in the eastern section of Chula Vista, California. This \$46 million development consists of 440 three-story garden apartments of which 88 units are set aside for low-income families. Each unit includes a balcony or patio, washer/dryer hook-up, full sized energy-efficient appliances, ceiling fans, outdoor storage, air conditioning, security features and dual glazed windows. All units come with assigned covered parking with most units also including an enclosed garage.

## CHELSEA INVESTMENT CORPORATION

215 South Hwy. 101 - Suite 200  
Solana Beach, California 92075  
Phone: 858-259-2624  
Fax: 858-259-2644



More details (over)

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**COST**

\$46 Million

**CIC ROLE**

Co-general partner of development partnership with Kaufman & Broad Multi-Housing Group, Inc.. Responsible for site acquisition turn-key development services and tax exempt bond financing.

**FINANCE**

CIC structured and negotiated multiple sources of financing:

- \$43 million tax-exempt bonds
- \$ 1.5 million tax credit equity — Kaufman & Broad Multi-Family Housing
- \$38 million in tax-exempt bonds credit enhanced by ARCS Commercial Mortgage Company, a DUS Lender, and Fannie Mae.
- \$43 million in tax-exempt bonds underwritten by Newman & Associates, Inc..
- \$5 million in secondary financing placed with T. Roe Price.

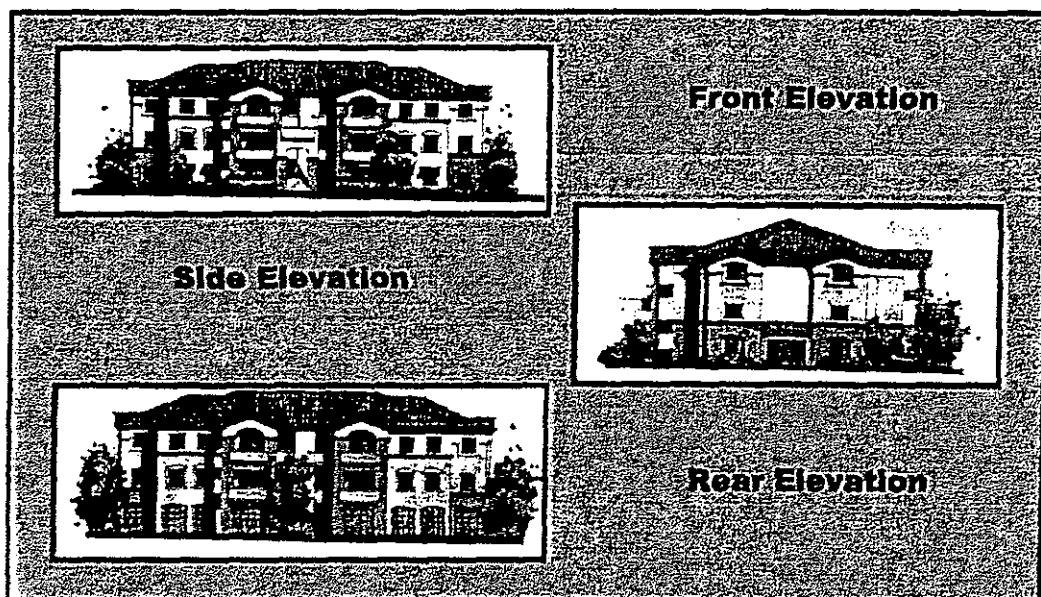
**PREDEVELOPMENT**

CIC engaged and supervised consultants to perform predevelopment tasks:

- Accountants
- Advocates
- Architects
- Attorneys
- Contractors
- Engineers

**CONSTRUCTION**

- Negotiated with construction management company and subcontractors on behalf of owner.
- Prepared and administered all contracts between subcontractors and owner.
- Performed all construction accounting for project.



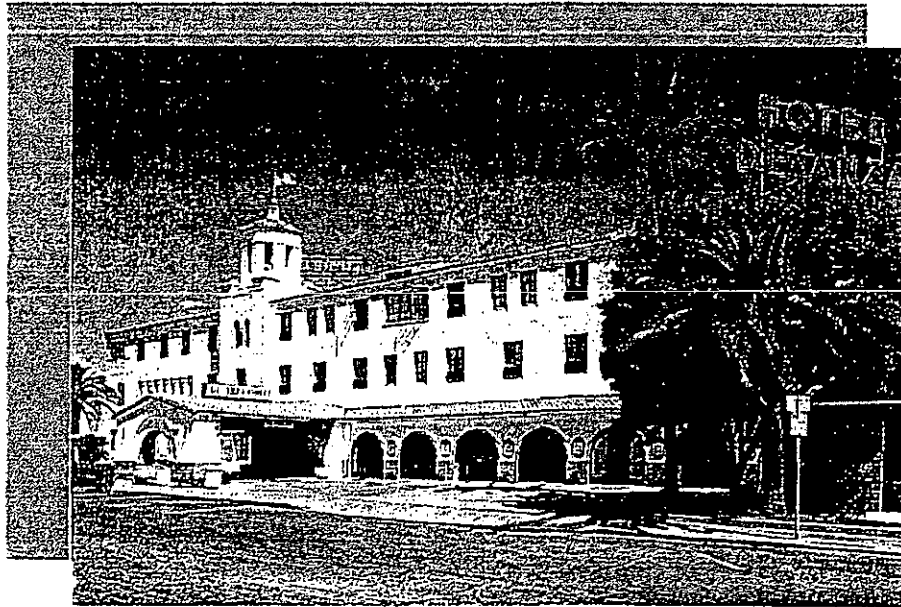
000431

CHELSEA INVESTMENT CORPORATION

# Hotel De Anza

*233 East Fourth Street, Calexico, CA 92231*

*Located in the heart of Calexico.....*



**PROJECT** The De Anza is a project involving the rehabilitation and conversion of an 80 room hotel built in 1930 into 94 studio apartments for low income senior citizens. The Hotel also features commercial space and restaurants on the ground floor.

## CHELSEA INVESTMENT CORPORATION

215 South Hwy. 101 - Suite 200  
Solana Beach, California 92075  
Phone: 858-259-2624  
Fax: 858-259-2644



More details (over) →

3-10

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**CLIENT**

De Anza Hotel Limited Partnership.  
General Partners – Chelsea Investment Corporation.  
Pacific Southwest Community Development Corporation.

**COST**

\$6.6 million.

**CIC ROLE**

Turn-key rehabilitative development and management services.

**FINANCE**

CIC has structured and negotiated multiple sources of financing:

- |  |        |               |
|--|--------|---------------|
| • California Department of Housing and Community Development | CHRP-R | \$2.6 million |
|  | EDBG   | \$277,000     |
|  | CDBG   | \$22,000      |
| • City of Calexico Community Redevelopment Agency            |        | \$450,000     |
| • Low Income Housing Tax Credits                             |        | \$3.1 million |
| California Tax Credit Allocation Committee                   |        |               |
| The Richman Group  |        |               |
| • Seller Financing   |        | \$200,00      |

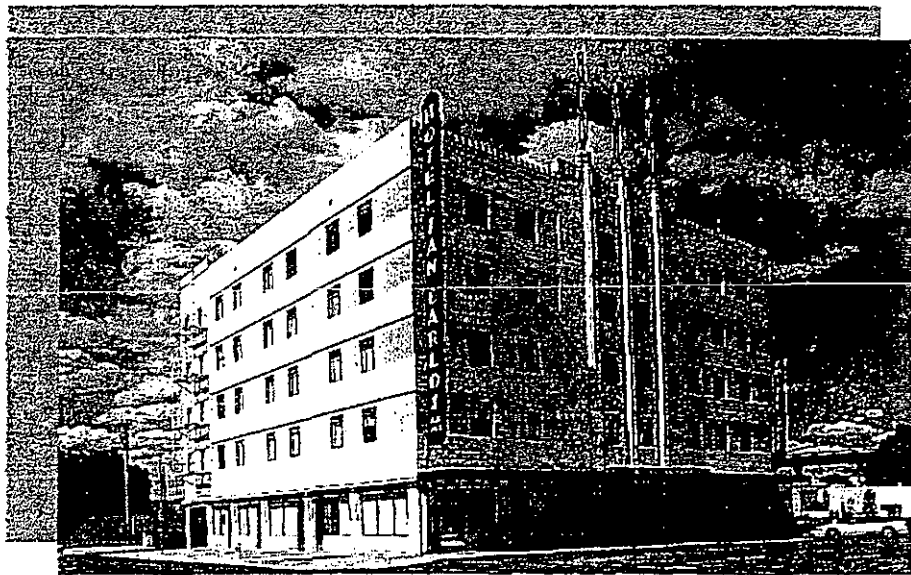


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CHELSEA INVESTMENT CORPORATION

# Hotel San Carlos

*Located in Yuma, Arizona.....*



The Hotel San Carlos is a project involving the rehabilitation of a 60 room hotel built in 1930. The Hotel San Carlos is on the Secretary of the Interior's National Register of Historic Buildings. The hotel was converted into a 60 unit low income apartment building with commercial space on the ground floor. Construction rehabilitation of the project was completed December 31, 1996.

CHELSEA INVESTMENT CORPORATION

215 South Hwy. 101 - Suite 200  
Solana Beach, California 92075  
Phone: 619-259-2624  
Fax: 858-259-2644



More details (over) →

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**OWNERSHIP**

Hotel San Carlos Limited Partnership  
General Partners — The Excel Group  
Pacific Southwest Community Development Corporation

**COST**

\$3.7 Million

**CIC ROLE**

Turn-key rehabilitative development services.

**FINANCE**

CIC has structured and negotiated multiple sources of financing:

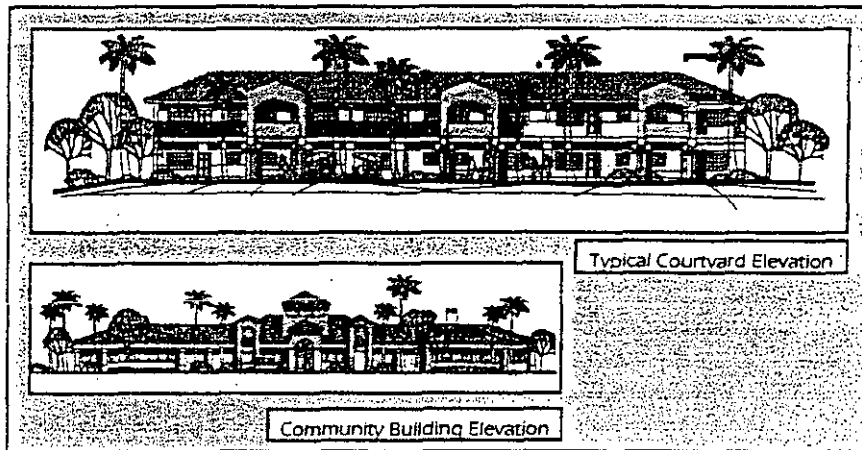
- Permanent Loan
- Construction Loan
- Tax Credit Sales Proceeds
- CDBG
- AHP Funds
- Housing Trust Fund Loan
- Housing Trust Fund Grant
- Historic Tax Credit Sales Proceeds
- Heritage Trust Fund
- HOME Loan
- The Excel Group
- Bank of America
- The Richman Group
- City of Yuma/HUD
- Federal Home Loan Bank
- Arizona Department of Commerce
- Arizona State Parks

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CHELSEA INVESTMENT CORPORATION

# Villa Serena Apartments

*Located in Chula Vista, California.....*



**PROJECT** A 132-unit rent restricted affordable senior housing project located in the Sunbow II master planned community of Chula Vista. Villas Serena offers one- and two-bedroom/one-bath units ranging from 560-700 square feet in a two- and three-story garden apartment complex. This project is an attempt to increase the availability of affordable rental housing in the newly developing eastern area of Chula Vista.

CHELSEA INVESTMENT CORPORATION

215 South Hwy. 101 - Suite 200  
Solana Beach, California 92075  
Phone: 858-259-2624  
Fax: 858-259-2644



More details (over) →

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**CLIENT**

Serena Sunbow, L.P.

**COST**

\$9.4 million

**CIC ROLE**

Chelsea Investment Corporation provided turnkey development services.

**FINANCE**

- Bank of America Community Development Bank
- Chula Vista Redevelopment Agency
- Deferred Developer Fee
- LIH Tax Credits

## Attachment 4

**HOUSING COMMISSION MULTIFAMILY  
HOUSING REVENUE BOND PROGRAM  
Summary**

**General Description:** The multifamily housing bond program provides below-market financing (based on bond interest being exempt from income tax) for developers willing to set aside a percentage of project units as affordable housing. Multifamily housing revenue bonds are also known as “private activity bonds” bonds because the projects are owned by private entities, often including nonprofit sponsors and for-profit investors.

**Bond Issuer:** Housing Authority of the City of San Diego. There is no direct legal liability to the City, the Housing Authority or the Housing Commission in connection with the issuance or repayment of bonds; there is no pledge of the City’s or the Housing Authority’s faith, credit or taxing power. The bonds do not constitute a general obligation of the issuer because security for repayment of the bonds is limited to specific private revenue sources, such as project revenues. The developer is responsible for the payment of costs of issuance and all other costs under each financing.

**Affordability:** Minimum requirement is that at least 20% of the units are affordable at 50% of Area Median Income (AMI). Alternatively, a minimum of 10% of the units may be affordable at 50% AMI with an additional 30% of the units affordable at 60% AMI. The Housing Commission requires that the affordability restriction be in place for a minimum of 15 years. In practice, projects financed by multifamily housing bonds are affordable for a minimum of 30 years. Bonds may also be combined with other financing sources to create deeper affordability and longer terms of restriction.

**Rating:** Generally “AAA” or its equivalent with a minimum rating of “A” or, under conditions that meet IRS and Housing Commission requirements, bonds may be unrated for private placement with institutional investors (typically, large banks). Additional security is normally achieved through the provision of outside credit support (“credit enhancement”) by participating financial institutions that underwrite the project loans and guarantee the repayment of the bonds. The credit rating on the bonds reflects the credit quality of the credit enhancement provider.

**Approval Process:**

- **Inducement Resolution:** The bond process is initiated when the issuer (Housing Authority) adopts an “Inducement Resolution” to establish the date from which project costs may be reimbursable from bond proceeds (if bonds are later issued) and to authorize staff to work with financing team to perform a due diligence process. The Inducement Resolution does not represent any commitment by the Housing Commission, Housing Authority, or the developer to proceed with the financing.

- TEFRA Hearing and Resolution (Tax Equity and Fiscal Responsibility Act of 1982): To assure that projects making use of tax-exempt financing meet appropriate governmental purposes and provide reasonable public benefits, IRS Code requires that a public hearing be held and that the issuance of bonds be approved by representatives of the governmental unit with jurisdiction over the area in which the project is located (City Council). This process does not make the City financially or legally liable for the bonds or for the project.

[Note: It is uncommon for the members of the City Council to be asked to take two actions at this stage in the bond process---one in their capacity as the City Council (TEFRA hearing and resolution) and another as the Housing Authority (bond inducement). Were the issuer (Housing Authority) a more remote entity, the TEFRA hearing and resolution would be the only opportunity for local elected officials to weigh in on the project.]

- Application for Bond Allocation: The issuance of these “private activity bonds” (bonds for projects owned by private developers, including projects with nonprofit sponsors and for-profit investors) requires an allocation of bond issuing authority from the State of California. To apply for an allocation, an application approved by the Housing Authority and supported by an adopted inducement resolution and by proof of credit enhancement (or bond rating) must be filed with the California Debt Limit Allocation Committee (CDLAC). In addition, evidence of a TEFRA hearing and approval must be submitted prior to the CDLAC meeting.
- Final Bond Approval: The Housing Authority retains absolute discretion over the issuance of bonds through adoption of a final resolution authorizing the issuance. Prior to final consideration of the proposed bond issuance, the project must comply with all applicable financing, affordability, and legal requirements and undergo all required planning procedures/reviews by local planning groups, etc.
- Funding and Bond Administration: All monies are held and accounted for by a third party trustee. The trustee disburses proceeds from bond sales to the developer in order to acquire and/or construct the housing project. Rental income used to make bond payments is collected from the developer by the trustee and disbursed to bond holders. If rents are insufficient to make bond payments, the trustee obtains funds from the credit enhancement provider. No monies are transferred through the Housing Commission or Housing Authority, and the trustee has no standing to ask the issuer for funds.

Bond Disclosure: The offering document (typically a Preliminary Offering Statement or bond placement memorandum) discloses relevant information regarding the project, the developer, and the credit enhancement provider. Since the Housing Authority is not responsible, in any way, for bond repayment, there are no financial statements or summaries about the Housing Authority or the City that are included as part of the offering document. The offering document includes a paragraph that states that the

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Housing Authority is a legal entity with the authority to issue multifamily housing bonds and that the Housing Commission acts on the behalf of the Housing Authority to issue the bonds. The offering document also includes a paragraph that details that there is no pending or threatened litigation that would affect the validity of the bonds or curtail the ability of the Housing Authority to issue bonds. This is the extent of the disclosure required of the Housing Authority, Housing Commission, or the City. However, it is the obligation of members of the Housing Authority to disclose any material facts known about the project, not available to the general public, which might have an impact on the viability of the project.

<b>000441 REQUEST FOR CITY COUNCIL ACTION</b> CITY OF SAN DIEGO				1. CERTIFICATE (FOR AUDITOR)			
TO: CITY ATTORNEY		2. FROM (ORIGINATING DEPARTMENT): <b>San Diego Housing Commission</b>		3. DATE: July 2, 2007			
4. SUBJECT: <b>Preliminary Bond Items for Boulevard Apartments</b>							
5. PRIMARY CONTACT (NAME, PHONE, & MAIL STA.) Peter Armstrong, 619-578-7556, 49N		6. SECONDARY CONTACT (NAME, PHONE, & MAIL STA.) Cissy Fisher, 619-578-7585, 49N		7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED <input type="checkbox"/>			
<b>8. COMPLETE FOR ACCOUNTING PURPOSES</b>							
FUND				9. ADDITIONAL INFORMATION / ESTIMATED COST:			
DEPT.				COSTS OF CITY ATTORNEY'S REVIEW TO BE CHARGED TO OUSA #346			
ORGANIZATION							
OBJECT ACCOUNT							
JOB ORDER							
C.I.P. NUMBER							
AMOUNT							
<b>10. ROUTING AND APPROVALS</b>							
ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	ORIG. DEPT	<i>Cissy Fisher</i>	7/2/07	8	DEPUTY CHIEF		
2	<del>CARROL VAUGHAN</del> VP-CCO	<i>[Signature]</i>	7/2/07	9			
3	<del>PHILIPS</del> <del>JIM WARING</del>	<i>[Signature]</i>	7/5/07	10	CITY ATTORNEY	<i>[Signature]</i>	7/19/07
4				11	ORIG. DEPT		
5				DOCKET COORD: _____ COUNCIL LIAISON: _____			
6				<input checked="" type="checkbox"/> COUNCIL PRESIDENT <input type="checkbox"/> SPOB <input type="checkbox"/> CONSENT <input checked="" type="checkbox"/> ADOPTION			
7				<input type="checkbox"/> REFER TO: _____ COUNCIL DATE: 7/24/07			
11. PREPARATION OF: <input type="checkbox"/> RESOLUTIONS <input type="checkbox"/> ORDINANCE(S) <input type="checkbox"/> AGREEMENT(S) <input type="checkbox"/> DEED(S)							
CITY COUNCIL HOLD A PUBLIC HEARING AND ADOPT A RESOLUTION APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS BY THE HOUSING AUTHORITY FOR UP TO \$ 7 MILLION FOR BOULEVARD APARTMENTS.							
11A. STAFF RECOMMENDATIONS: ADOPT THE RESOLUTION.							
12. SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION.) <u>COUNCIL DISTRICT(S):</u> 3 (ATKINS) <u>COMMUNITY AREA(S):</u> GREATER NORTH PARK <u>ENVIRONMENTAL IMPACT:</u> ON MARCH 15, 2007, THE PLANNING COMMISSION CERTIFIED ENVIRONMENTAL IMPACT REPORT NO. 55461 IN ACCORDANCE WITH THE STATE OF CALIFORNIA ENVIRONMENTAL QUALITY ACT GUIDELINES. <u>HOUSING IMPACT:</u> THE PROJECT WILL CREATE 24 AFFORDABLE HOUSING UNITS. <u>OTHER ISSUES:</u> THE HOUSING COMMISSION APPROVED THIS ITEM ON JUNE 15, 2007. <u>CITY CLERK INSTRUCTIONS:</u> PLEASE PROVIDE A CERTIFIED COPY OF RESOLUTION, INCLUDING VOTING SHEET, TO PETER ARMSTRONG, MS 49-N. <b>THERE IS A HOUSING AUTHORITY COMPANION FOR THIS ITEM.</b>							



**000443****REPORT TO THE CITY COUNCIL  
EXECUTIVE SUMMARY SHEET**

DATE REPORT ISSUED: July 2, 2007  
ATTENTION: Council President and City Council  
ORIGINATING DEPT: San Diego Housing Commission  
SUBJECT: Preliminary Bond Items for Boulevard Apartments  
COUNCIL DISTRICT: District 3  
STAFF CONTACT: Cissy Fisher (619) 578-7585

REPORT NO.: HAR07-17

**Please note:** There is a Housing Authority companion for this item.

**REQUESTED ACTION:**

Take the initial steps to issue Housing Authority mortgage revenue bonds to fund the development of a 24-unit rental complex located in the San Diego community of North Park. Borrower would develop the property and restrict rents below market; issuance of bonds would require Housing Authority approval at a later date and is contingent upon approval of gap loan funding by the Redevelopment Agency and/or Housing Authority.

**STAFF RECOMMENDATION:**

City Council hold a public hearing (*known as a TEFRA hearing - Tax Equity and Fiscal Responsibility Act*) and adopt a resolution approving the issuance of tax-exempt bonds in an amount up to \$7 million by the Housing Authority for the Boulevard Apartments located at 3133-3137 El Cajon Boulevard in the City of San Diego.

**EXECUTIVE SUMMARY:**

The site for the proposed Boulevard Apartments is located at 3133-3137 El Cajon Boulevard, on the south side of El Cajon Boulevard between Iowa Street and Illinois Street, two blocks west of the 805 freeway. The project will provide a total of 24 affordable housing units, approximately 2,000-square-feet of commercial space, and a 17-space parking garage on a 0.24-acre site. The project would also include a landscaped roof deck with barbeque facilities, patio cover, picnic tables and a children's play area. Each unit would feature a private balcony.

The 24 residential units would consist of 3 one-bedroom units, 18 two-bedroom units and 3 three-bedroom units. Although the Housing Commission's Bond Program would normally restrict rents at 50% and 60% of the Area Median Income (AMI) (\$31,600 and \$37,920 for a family of three), other funding sources require substantially lower restricted rents. As a result, 14 units will be restricted at 30% AMI (\$18,950 for a household of three) and 9 units will be restricted at 40% AMI. One unit will be reserved for an on-site manager and will not be occupancy-restricted.

SVDP and Chelsea will be joint venture partners in a limited partnership that has been established to own and operate the Boulevard Apartments; SVDP will be the managing general partner and an affiliate of Chelsea will be the administrative general partner. SVDP and Chelsea have collaborated on five affordable housing projects during the previous twelve years.

FISCAL CONSIDERATIONS:

There are no fiscal impacts to the Housing Commission, City, or Housing Authority associated with the requested actions. Approval of the bond inducement and TEFRA resolutions does not commit the Housing Authority to issue bonds. The bonds would not constitute a debt of the City of San Diego. If bonds are ultimately issued for the project, the bonds will not financially obligate the City, the Housing Authority or the Housing Commission because security for the repayment of the bonds will be limited to specific private revenue sources. Neither the faith and credit nor the taxing power of the City or the Authority would be pledged to the payment of the bonds. The developer is responsible for the payment of all costs under the financing, including the Housing Commission's annual administrative fee. It is possible that the Housing Commission will be asked to participate in the local subsidy. The development team is currently gathering funding commitments.

PREVIOUS HOUSING AUTHORITY And/Or COMMITTEE ACTIONS:

None.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On April 19, 2005, the Greater North Park Community Planning Group voted 6-5-2 to recommend approval of the project, with the condition that the applicant provide explicit documentation that there is a 50-year agreement specifying St. Vincent de Paul as the manager and operator of the property. On March 15, 2007, with a vote of 5-0-2, the Planning Commission approved the site development permit for the project.

ENVIRONMENTAL REVIEW:

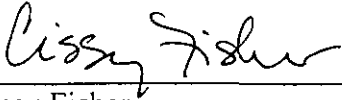
On March 15, 2007, the Planning Commission certified Environmental Impact Report No. 55461 in accordance with the State of California Environmental Quality Act guidelines.

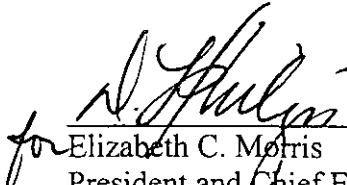
KEY STAKEHOLDERS & PROJECTED IMPACTS:

Very-low income households are the intended residents of the project. SVDP and Chelsea compose the development team for the project. The SVDP board members and the owners of Chelsea are listed in Attachments 2 and 3. The Richmond Group has been tentatively selected to provide equity for the project.

Respectfully submitted,

Approved by,

  
Cissy Fisher  
Director, Housing Finance and Development

  
Elizabeth C. Morris  
President and Chief Executive Officer

000445

RESOLUTION NUMBER R- \_\_\_\_\_

DATE OF FINAL PASSAGE \_\_\_\_\_

A RESOLUTION PURSUANT TO SECTION 147(f) OF THE INTERNAL  
REVENUE CODE OF 1986 APPROVING THE ISSUANCE OF BONDS BY  
THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO FOR THE  
BOULEVARD APARTMENTS

WHEREAS, the Housing Authority of the City of San Diego [Authority] adopted a resolution that constituted a declaration of official intent of the Authority to issue not to exceed a total of \$7,000,000 aggregate principal amount of multifamily housing revenue bonds [Bonds] to finance the acquisition and construction of approximately 24 units of multifamily rental housing to be located at 3137 El Cajon Boulevard in the City of San Diego, to be known as the Boulevard Apartments, as described in the form of notice of public hearing attached as Exhibit A [Project]; and

WHEREAS, in order for interest on the Bonds to be tax-exempt, Section 147(f) of the Internal Revenue Code of 1986, as amended [Code], requires that issuance of the Bonds by the Authority be approved by the City Council of the City of San Diego [City] as the applicable elected representative with respect to the Authority, after a public hearing regarding the Bonds following reasonable public notice; and

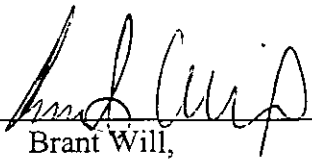
WHEREAS, notice of a public hearing with respect to the proposed issuance of the Bonds was published in a newspaper of general circulation in the City on July 9, 2007; and

WHEREAS, a public hearing with respect to the proposed issuance of the Bonds was held by the City Council on July 24, 2007, and, at the public hearing, an opportunity was provided for interested persons to express their views on the issuance of the Bonds and on the nature, location and operation of the Project; NOW THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego that this City Council, as the applicable elected representative with respect to the Authority under Section 147(f) of the Code, approves the issuance of the Bonds by the Authority for the purpose of financing the Project.

BE IT FURTHER RESOLVED, that the City does not warrant the creditworthiness of the Bonds or guarantee, in any way, the payment of the Bonds. No moneys of the City will be pledged or applied to the repayment of the Bonds.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By:   
Brant Will,  
Deputy City Attorney

BCW:jdf  
07/06/07  
Or.Dept:HA  
R-2008-22  
Companion: HA-2008-1

000447

(R-2008-22)

I hereby certify that the foregoing Resolution was passed by the Council of the City of  
San Diego, at this meeting of \_\_\_\_\_.

ELIZABETH S. MALAND  
City Clerk

By \_\_\_\_\_  
Deputy City Clerk

Approved: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Mayor

000448

## NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City Council of the City of San Diego on Tuesday, July 24, 2007, at the hour of 2:00 p.m., or as soon thereafter as the matter may be heard, at the City Council Chambers, 12<sup>th</sup> floor, 202 C Street, San Diego, California, will hold a public hearing in accordance with Section 147(f) of the Internal Revenue Code of 1986 with respect to the proposed issuance by the Housing Authority of the City of San Diego of its multifamily housing revenue bonds, in order to finance the acquisition and construction of the multifamily rental housing project described below [Project]:

Project	Location	Number of Units	Approximate Bond Amount
Boulevard Apartments	3137 El Cajon Boulevard, San Diego, California	24	\$7,000,000

The owner of the Project is expected to be a limited partnership, whose partners will include S.V.D.P. Management, Inc. and Chelsea Investment Corporation, or affiliates of one or both of such entities. The initial operator of the Project will be S.V.D.P. Management, Inc., or another entity selected by the owner of the project.

Notice is further given that at said hearing all interested parties will have an opportunity to be heard on the question of whether or not such multifamily housing revenue bonds should be issued. Written comments may also be submitted prior to the hearing, c/o Mr. Peter Armstrong, San Diego Housing Commission, 1122 Broadway, Suite 300, San Diego, California 92101.

Dated: July 9, 2007

CITY COUNCIL OF THE CITY OF SAN DIEGO

Passed and adopted by the Council of San Diego on \_\_\_\_\_ by the  
following vote:

**YEAS:**

**NAYS:**

**NOT PRESENT:**

**VACANT:**

**AUTHENTICATED BY:**

**JERRY SANDERS**  
Mayor of The City of San Diego, California

**ELIZABETH MALAND**  
City Clerk of The City of San Diego, California

(SEAL)

By: \_\_\_\_\_, Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of  
RESOLUTION NO. R-\_\_\_\_\_, passed and adopted by the Council of The City of San  
Diego, California on \_\_\_\_\_.

**ELIZABETH MALAND**  
City Clerk of The City of San Diego, California

(SEAL)

By: \_\_\_\_\_, Deputy